

REMARKS

Applicant requests favorable reconsideration and allowance of this application in view of the foregoing amendments and the following remarks.

Claims 1, 3, 4, 6-25 and 27-28 are pending in this application, with Claims 1,15, 17, 20-25 being independent. Claims 2, 5 and 26 have been cancelled without prejudice. Claims 15-19, 21, 22, 24, 25, 27 and 28 are withdrawn.

Claims 1, 3, 20 and 23 have been amended. Applicant submits that support for the amendments can be found in the original disclosure at least, for example, in Fig. 4 and the corresponding written description. Therefore, no new matter has been added.

Claims 1-14, 20, 23 and 26 were objected to for various informalities. The claims have been amended to address the Examiner's comments.

Claims 1-14, 20, 23 and 26 were rejected under 35 U.S.C. § 112, first paragraph, because the specification, does not reasonably provide enablement for a switching step of switching whether the addition step should be executed and a data block generated via the switching step. The claims have been amended in view of the Examiner's comments. Applicant submits that the amended claims are fully supported at least by Fig. 4 and the corresponding description. Therefore, reconsideration and withdrawal of this rejection are requested.

Claims 1-14, 20, 23 and 26 were rejected under 35 U.S.C. § 112, second paragraph, for the reasons discussed at pages 4-6 of the Office Action. Applicant submits that the amendments to the claims have obviated this rejection, and therefore withdrawal of the rejection is requested.

Claim 23 was rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter. That claim has been amended to recite a computer-readable storage medium. Accordingly, Applicant submits that the amended claim is directed to an article of manufacture that is statutory subject matter, and withdrawal of this rejection is requested.

Claims 1-14, 20, 23 and 26 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,931,534 to Jandel et al. in view of U.S. Patent No. 6,677,868 to Kerofsky et al. and further in view of U.S. Patent No. 6,061,451 to Muratani et al. Applicant respectfully traverses these rejections for the reasons discussed below.

As recited in independent Claim 1, the present invention includes, *inter alia*, the features of discriminating whether a data block is an object to be reproduced at a decoder in a scrambling mode or in a non-scrambling mode, and adding terminating information to a starting position of an encrypted data block if it is discriminated that the data block is an object to be reproduced in the non-scrambling mode, and adding the terminating information to an ending position of the encrypted data block if it is discriminated that the data block is an object to be reproduced in the scrambling mode. Applicant submits that the cited art fails to disclose or suggest at least these features of Claim 1.

Kerofsky et al. merely discloses generating a bit stream having a signal indicating a variable length or fixed length. The signal has no effect on whether a signal is decoded in a scrambling or non-scrambling mode. Similarly, Muratani et al. also fails to disclose or suggest adding terminating information to a starting position or an ending position of a data block in accordance with whether the data block is discriminated to be an object to be reproduced in a non-scrambling mode or a scrambling mode. Accordingly, Applicant submits that the present invention recited in Claim 1 is patentable over the cited art.

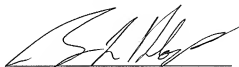
The other independent claims recite features similar to those of Claim 1 discussed above and are believed patentable for similar reasons.

The dependent claims are patentable for at least the same reasons as the independent claims, as well as the additional features they recite.

For the foregoing reasons, Applicant submits that this application is in condition for allowance. Favorable reconsideration and an early Notice of Allowance are requested.

Applicant's undersigned attorney may be reached in our Washington, D.C. office by telephone at (202) 530-1010. All correspondence should continue to be directed to our below-listed address.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'B. L. Klock', written over a horizontal line.

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